

Volume 10, Issue 1

Winter 2016



Bay Area Association of
Kidney Patients

Kidney Konnections

A Panel of Experts

The Bay Area Association of Kidney Patients assembled a powerhouse panel of experts to provide information and answer questions about insurance for kidney patients. The panel included an insurance agent, a transplant financial coordinator, a dialysis financial coordinator, a staff attorney with legal aid, a Medi-Cal program specialist, and a Medicare advocate from HICAP. We hope that you find the following information useful. *For videos of the speakers' talks, please visit our web site at www.baakp.org and click on "video".*



The Marketplace or Health Exchange



Our first speaker, Ken Block, kicked off the afternoon with an introduction to the current state of buying medical insurance on the open market. Since

January 1, 2014, when Health Exchange or Marketplace policies first became effective as a result of the **Affordable Care Act (ACA)** enacted on September 23, 2010, life is different for many, including kidney patients. The ACA specifies:

- ✓ All citizens and legal residents must have Qualified Health Insurance.
- ✓ If not, they face tax penalties: \$695 per adult, \$347.50 per child to a maximum of \$2,085 per household OR 2.5% of income above the tax filing threshold, whichever is higher.
- ✓ Insurance companies cannot

decline coverage or charge extra for pre-existing conditions.

- ✓ There are no lifetime limits on benefits.
- ✓ Cancellation by insurers of policies is prohibited.
- ✓ Children can stay on their parents' policy until age 26.

There are specific times when you can sign up for Health Insurance:

- ✓ Open enrollment (such as right now, November 1st to January 31st) when anyone can apply

Or when a qualifying event occurs:

- ✓ Loss of group health insurance, private insurance, Medicare, or Medi-Cal
- ✓ Marriage
- ✓ Birth of a child, or gaining or losing a dependent
- ✓ Change in immigration status
- ✓ Aging out of a parent's plan

There are 4 tiers to Health Insurance purchased on the open market:

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The Bay Area Association of Kidney Patients

is a volunteer non-profit,
501(c) 3 organization with the

Mission to Educate and Support Bay Area Kidney Patients

Attend the Educational Presentations and Support Group Meetings, read the *Kidney Konnections* newsletter and visit our website at www.baakp.org

The Marketplace or Health Exchange (continued from page 1)

- ✓ **Bronze:** lowest premium cost, but highest out-of-pocket costs; can be paired with a Health Savings Account
- ✓ **Silver:** lower premium cost but higher out-of-pocket costs, such as doctor office copays, hospital deductibles, and prescription benefits
- ✓ **Gold:** most popular plans; higher premium cost but lower out-of-pocket costs, including prescription copays and coinsurance
- ✓ **Platinum:** highest premium cost but lowest out-of-pocket costs; most insurance companies no longer offer this plan

Mr. Block also mentioned **Health Savings Accounts (HSAs)** where the benefits must be used for medical reasons, or you are subject to penalties and taxes. HSAs are usually compatible with the high deductible Bronze level plan. Contributions are tax

deductible, accumulate tax-free and can be withdrawn tax-free when used for allowable medical expenses. Maximum contribution is \$3,350 individual/\$6,750 family, with an extra \$1,000 if over age 55. HSAs terminate after age 65.

Covered California, which helps with insurance premiums is available to households within 400% of the Federal poverty limit. The insured must be “lawfully present” in the U.S. Covered California provides a sliding scale of “advance premium tax credits” based on household size and income. These credits will be reconciled in the following tax year. Ask for form 1095A to view these credits.

Thank you, Ken Block, of Richmond, CA for your help with this complex subject. Contact Mr. Block at 510-235-0353 Ext. 27, or at

kenblockinsurance@sbcglobal.net

Insurance and Transplant

Our second speaker was Christina Sheppard, who is a **Transplant Financial Coordinator** for the **UC Davis Kidney and Kidney/Pancreas Transplant** program. She described the role of financial coordinator for pre- and post-transplant patients and emphasized that expenses are not only for the cost of the transplant itself but a long-term commitment for on-going medications, doctors’ appointments and labs. Not only does she investigate your benefits before transplantation, but the transplant financial coordinator is there for you long after the surgery is over. The bulk of the counseling takes place by telephone, with many sessions lasting over an hour!



Christina helps patients understand what the copays are for the transplant, and the prescriptions are a major concern. Does your policy cover living donation? You may have costs for travel and lodging which could be covered, at least in part, by your insurance. Your coverage may or may not coordinate with Medicare. There could be a disconnect between your insurance covering the costs of the hospital stay versus the transplant itself.

You may need to have \$3800-\$4000 in savings for post-transplant medications because one of the most common financial issues with regard to transplant is that the patient cannot afford the out of pocket costs. Your post-transplant medications may run \$4000 to \$6000 per month. A Medicare patient is liable for 20% of the cost of medications, which can average \$200-400 per month.

It may take creative steps, such as fund-raising.

If you are on the transplant wait list, do not make any changes to your insurance without first consulting the transplant financial coordinator.

What happens if Medicare coverage changes or terminates? If you are under 65, you currently qualify for **only 3 years’ post-transplant medications**; this is a major consideration. She encourages patients to go back to work after transplant, anticipating the termination of the social security and the Medicare benefits.

It is important to note: If you relied on the American Kidney Fund to pay for your health insurance premiums while on dialysis, you will no longer qualify for assistance once transplanted. You will be responsible for paying your own premiums.

Important questions to ask your employer:

- ✓ How much paid time off do I have?

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Insurance and Transplant (continued from page 2)

- ✓ What happens to my insurance while I'm off work for transplant?
- ✓ What happens when I exhaust my paid time off?
- ✓ How long will employer pay their part of the premium?
- ✓ How much are my insurance premiums going to be?
- ✓ When do I file for disability? (Employed patients may file for disability after their transplant.) Is it short or long term disability?
- ✓ Most go back to work in 8 to 12 weeks but what if I cannot return to work?

Consolidated Omnibus Budget Reconciliation Act (COBRA) gives workers and their families who lose their health benefits the right to choose to continue group health benefits provided by their group health plan for limited periods of time. (See [https://www.dol.gov/general/topic/health-](https://www.dol.gov/general/topic/health-plans/cobra)

[plans/cobra](#))

Here are transplant funding sources:

- ✓ Covered California
- ✓ Medicare
- ✓ Medi-Cal
- ✓ Private Insurance
- ✓ Veterans Administration
- ✓ Fundraising organizations
- ✓ Prescription assistance programs

Communication is the key; you must work together with your Financial Coordinator to resolve any financial barriers for the life of your transplant.

Thanks to Christina Sheppard of UC Davis Kidney & Pancreas Transplant Program. You may contact Ms. Sheppard by email cjsheppard@ucdavis.edu or phone (916) 734-0437.

Financing Dialysis

Dialysis Financing was explained by Ms. Christie Chapman, a member of the BAAKP Board of Directors and an expert in this subject. She reviewed the various types of insurance that can be used to help pay for dialysis:



- ✓ Medicare (Federal)
- ✓ Medi-Cal (State)
- ✓ Other Government Coverage (VA, Tricare, Tricare for life)
- ✓ Commercial
- ✓ Employer Group Health Plan (EGHP)
- ✓ Marketplace Plan (Obamacare)/Private Coverage
- ✓ Off-market Plan/Other Private Coverage
- ✓ Self-Pay/No insurance

Ms. Chapman explained, because of the varying contracts between insurance companies and providers, dialysis companies may receive differing amounts for the same services.

Most dialysis patients are entitled to Medicare. Therefore, a majority of dialysis company revenue comes from Medicare, which pays one base rate for dialysis services under what is called the End Stage Renal Disease (ESRD) Prospective Payment System (PPS). The base amount for 2016 was \$230.39 per treatment. Dialysis companies must manage your care as well as resources efficiently in order to make

a profit.

Why is this important to you as a dialysis patient?

- ✓ Dialysis is a business. What is in your best interest may not always be in the best interest of the dialysis company.
- ✓ You must be informed and your own advocate.
- ✓ You must choose what is best for YOU.

If you have commercial coverage, understand your out of pocket costs:

- ✓ A deductible is the amount you must pay before the insurance will pay.
- ✓ A copay is the set dollar amount you must pay, while coinsurance is a set percentage you must pay, for doctor visits or other services.
- ✓ You will have an out of pocket maximum, which is the annual limit you will spend for any copay, coinsurance, and/or deductible amounts you paid. If you reach the out of pocket maximum any given year, your insurance will pay 100% for any additional services that year; and you pay nothing.

Patients with Employer Group Health Plans (EGHPs) have what is called a **Coordination of Benefits (COB) Period**. This period lasts 30 months and begins the month you become eligible for Medicare, whether you enroll (become entitled) or not. You have the right to delay enrollment in Medicare

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Financing Dialysis (continued from page 3)

to any time during this COB Period. The EGHP must pay first during this time. If you choose to delay, you must delay enrollment in Medicare Part A (hospital insurance) and Part B (outpatient insurance). If you only delay part B, you limit your opportunity for enrollment to the General Enrollment Period (GEP), which is January 1st to March 31st of each year. Medicare will not begin until July 1st of the year you enroll. This may cause a gap or break in coverage if you need Medicare to begin before July 1st.

What are some of the most important things to remember about insurance?

- ✓ There is always someone available to help you with your insurance questions and needs, but you must be informed as well, because what is best for them may not be best for you. Dialysis is a business.
- ✓ There is financial assistance available for health insurance premium costs, like the American Kidney Fund which pays for medical premiums or Extra Help which helps pay for Part D or

drug costs for those who qualify for the programs.

- ✓ Commercial plans (EGHPs, Marketplace plans, Off-Market Plans, COBRA) pay dialysis companies the most money for your treatment.
- ✓ EGHPs, including COBRA, have a COB Period that forces the EGHP to pay primary for 30 months.
- ✓ Marketplace or Off-Market Plans do not have a COB Period. Medicare is first once you enroll, and the “Obamacare” plan becomes secondary. Enrolling in Medicare will also cause you to lose the advance premium tax credit (APTC) you may be receiving.
- ✓ **Whatever you decide regarding your insurance, the choice is yours! You must do what is best for you and your family.**

Ms. Chapman, Financial Coordinator with Fresenius Kidney Care, is a board member of BAAKP and may be contacted at christie.chapman@baakp.org.

Legal Aid



Andy Le, a staff attorney with **Bay Area Legal Aid Health Consumer Center**, presented information to assist consumers with navigating legal concerns. Bay Area Legal Aid

provides free services on a variety of topics such as Social Security benefits, housing, family law, and health insurance. A group of six to seven attorneys dedicated to the Health Consumer Center help consumers with questions specific to health insurance: insurance benefits, beneficiary rights, and program eligibility are some examples. **All assistance is free. Unlike other programs, there are no income restrictions for those seeking help from the Health Consumer Center.** Attorneys can assist consumers to resolve issues with Medicare, Medi-Cal, Private Insurance, or Managed Care. Language is no barrier because all languages are welcome. There may be staff members who speak the language you need, but a language line is also available for translation when needed. All calls made to the Bay Area Legal Aid or Health

Consumer Center are confidential. They are required to capture specific information to assist with concerns, but this information will remain safe and protected.

The Health Consumer Center is available to help with a wide range of insurance needs. Staff attorneys help consumers navigate programs on the federal and state level to evaluate consumers for eligibility for Medicare and Medi-Cal. When there is overlap in the Medicare and Medi-Cal programs, they can explain how the programs work together and determine when and if you have to pay. They can help with balanced billing issues (when you have Medicare and free Medi-Cal and receive a bill for services that the insurance does not pay). It is illegal to bill consumers who have Medicare and free Medi-Cal in most cases. They also help explain eligibility for programs such as restricted Medi-Cal or for those with Kidney Disease who are not eligible for Medi-Cal due to residency issues. Staff attorneys will help you navigate the managed care system, such as the Coordinated Care Initiative, which requires dual eligible beneficiaries (those with Medicare and Medi-Cal) to enroll in managed

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care. Sometimes these enrollments create problems for consumers when trying to make doctors' appointments, and patients are denied services.

Reach out to staff attorneys to help file grievances or to learn about their appeal rights. If you are denied services, or there is a change in your eligibility, you may have appeal rights. You can reach out to the Health Consumer Center to determine if your change in benefits, such as an increase in Medi-Cal Share of Cost or termination of benefits, can be appealed. In some cases, they can help you maintain your benefits while your appeal is pending. It is important to call as soon as possible, because the appeals process for Medicare, Medi-Cal, private insurance, or exchange

plans will have specific deadlines. To restore your benefits as quickly as possible, you must address concerns right away; and the staff attorneys are there to help you.

For assistance from the Bay Area Legal Aid, call 800-551-5554. With questions specific to health insurance, contact the Health Consumer Center, Monday through Friday, 9 am to 5 pm, 855-693-7285.

Thank you, Mr. Le of the Bay Area Legal Aid Health Consumer Center, for providing your expertise. You may contact Mr. Le at ale@baylegal.org or (855) 693-7285.

Medi-Cal



Maridel Santos is a **Medi-Cal Program Specialist with Alameda County Social Services**. She provided information about Medi-Cal eligibility and the type of assistance available through the Alameda County Services. Although Medi-Cal Program

Specialists do not help with billing issues, they can tell you about the different types of Medi-Cal programs available, if you qualify, and how to apply. They also work closely with the state-run healthcare exchange program called Covered CA, which was created after adoption of the Affordable Care Act (ACA) in 2010. In addition, the ACA made it possible for the state to expand the Medi-Cal program.

Medi-Cal is a free or low-cost health insurance coverage administered by the state of CA available to CA residents who meet eligibility criteria. In the past, Medi-Cal was only available to residents who were aged (65 or older), blind, or disabled. Medi-Cal has been expanded to childless, non-disabled adults between the ages 19 to 64, and to those with income levels under 138% of the Federal Poverty Guidelines (FPL). In addition, the state extended Medi-Cal coverage to former foster care youth up to the age of 26 from any state. The new eligibility guidelines provide full-scope benefits to anyone meeting criteria. The **Modified Adjusted Gross Income (MAGI)** is used as a way to budget and help determine eligibility. There is no asset test

because all income is based on the 138% FPL. The state looks at household compensation under three (3) categories: tax filer not claimed as a dependent, tax dependents, and non-tax filer. Proof of CA residency is also required. Citizenship or legal immigration status is verified through the federal data hub. Note: Your adjusted gross income can be found on line 4 of the 1040EZ form, line 21 of the 1040A form, or line 37 of the 1040 form.

Medi-Cal for the aged, blind, or disabled is considered non-MAGI. CA residents who are medically needy, such as residents of long term care facilities qualify for this type of Medi-Cal. There is an asset test that varies based on family size. The property or resource limit for a single person household is \$2000; for a two-person household, it is \$3000. For each additional family member, \$150.00 is added to the limit. Personal property are things like cash, bank accounts, stocks, 401K, or property other than your primary residency. Income can come from earned wages (including self-employment) or unearned wages (such as Social Security benefits, unemployment, state disability, child support, retirement, etc.). Based on the income and assets for the household, a calculation is done to determine if a beneficiary will have a Share of Cost (SOC). Medi-Cal will pay all claims over and above the monthly SOC. The beneficiary is responsible for paying the SOC.

There are several Special Programs with different qualification requirements. Some examples are Limited Medi-Cal (for life sustaining treatment), Qualified Medicare Beneficiary (QMB, which helps

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with Medicare Part A and B premiums and copays), Specified Low Income Beneficiary (SLMB, which helps with Part B), and 250% Working Disabled Program (which is a Medi-Cal buy-in program where premiums are paid directly to the state). These programs are for those who don't qualify for regular Medi-Cal. For more information about the Medi-Cal programs available or to see if you qualify, go online to CoveredCA.com or MyBenefitsCalWIN.org. You may apply in person or by mail at the local Alameda

County Social Services office (or your local county office). You can also call Covered CA 1-800-300-1506 or Alameda County 800-698-1118. Note: If you are a Medi-Cal beneficiary and have billing questions, call 916-636-1980. For Health Care Options (to enroll in or change your Medi-Cal plan), call 800-430-4263.

BAAKP would like to thank Ms. Santos for her expertise. Contact her at msantos@acgov.org or (510) 259-3892.

HICAP

Diana Gray is a Medicare Advocate from the **Health Insurance Counseling and Advocacy Program (HICAP) in Alameda County**. HICAP is California's State Health Insurance Program (SHIP). Every state has a SHIP-funded by the federal government through tax dollars. In Alameda County, HICAP falls under Legal Assistance to Seniors; however, it may be organized with a different department or organization in other counties. HICAP advocates help answer questions about Medicare. Anyone with questions about Medicare can call HICAP. You do not have to be the Medicare beneficiary. You can be a family member, a caregiver, or anyone else looking for answers to your Medicare questions. There is no cost for any help provided by HICAP. Call for an appointment with a time and place that is convenient for you.



HICAP Advocates help with a wide array of Medicare questions. They can help you find answers to general questions about Medicare. They can explain enrollment periods and the different parts of Medicare (A – hospital insurance, B – outpatient insurance, C – Medicare Advantage or Replacement plans, or D – drug or prescription coverage). They can also assist with other coverage questions related to Medicare Supplemental insurance policies, insurance billing and claims, appeals, and information about healthcare changes. Also, they can help you apply for low-income programs such as Extra Help, which can lower your Medicare Part D prescription costs, or QMB, SLMB, and QI which can help with other Medicare costs.

It is important that you understand how Medicare works, both as stand-alone insurance also when

combined with other coverage. People who have End Stage Renal Disease (ESRD) and are on dialysis have specific times to enroll in Medicare without penalty. For those who receive dialysis in a facility, Medicare will start the first day of the fourth month of dialysis. If you complete training to dialyze at home, Medicare may start the first day of the month that you began dialysis. If you work and have an Employer Group Health Plan (EGHP), the EGHP remains primary for the first 30 months once Medicare-eligible. You may enroll in Medicare any time during this 30-month period, called a Coordination of Benefits (COB) Period. HICAP Advocates can help you decide the best time to enroll in Medicare. Because there are so many rules for ESRD and Medicare, you should not make any changes without speaking to someone who can explain this information to you. Your decision can impact how Medicare will work for you or when you can get the coverage you need.

Medicare will end: (1) if you do not pay your premiums, (2) if you recover kidney function for longer than 12 months, or (3) if you receive a successful transplant lasting more than 36 months. You may reinstate Medicare if needed, but the enrollment period will depend on your specific circumstances. If you lose coverage because you did not pay your premium, you can only re-enroll during the General Enrollment Period. If you lose coverage because you no longer qualify for Medicare based on ESRD or another disability, you may reapply if the disability reoccurs or if you are diagnosed with a new disability that affects your ability to work.

There are many resources available to help you make the best decisions about Medicare. HICAP is a great resource to provide one-on-one guidance for many Medicare questions, and HICAP Advocates

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will also direct you to community resources or organizations for further assistance if needed.

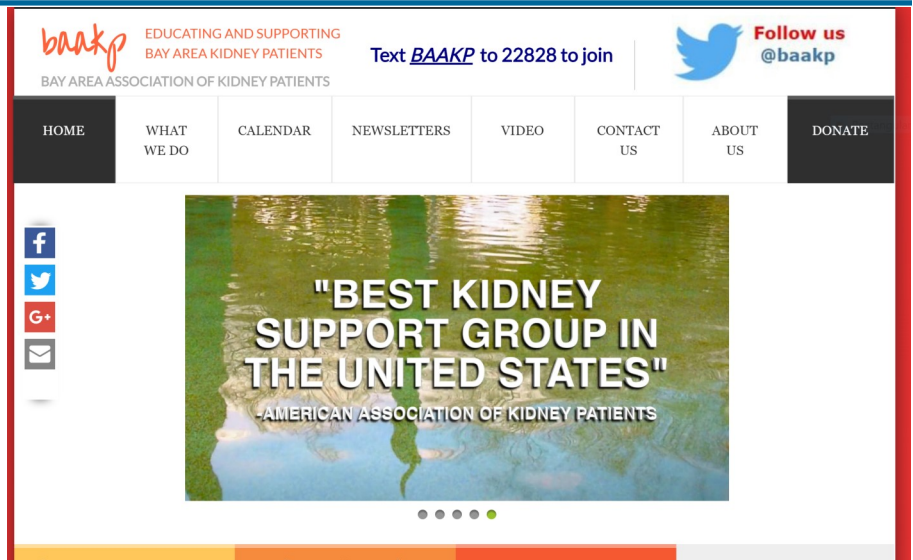
Many thanks to Ms. Gray of HICAP Alameda County for her participation in our expert panel. She can be contacted at hicapdg@gmail.com or by phone at (510) 839-0393.

This newsletter is not intended to take the place of personal medical advice, which should be obtained directly from your Doctor.

Check out our new Website! Take a test drive at www.baakp.org

Our new website design launched at the end of December 2016. It contains a wealth of information. Take some time and do a test drive.

- ✓ View videos of past speakers
- ✓ Read current and past newsletters
- ✓ See our calendar of upcoming events
- ✓ Donate to support our cause
- ✓ Learn the mission of BAAKP
- ✓ Sign up to become a member of BAAKP
- ✓ Join the BAAKP community and share through Facebook, Twitter and LinkedIn



What does ISI have to do with BAAKP?

You may not be aware that Bay Area Association of Kidney Patients has a “fiscal sponsor.” It would take much time and money to establish our own 501(c)(3), not to mention the continuing requirements of regular reports and tax returns. To function as a 501(c)(3) non-profit organization, which is exempt from Federal and State taxes and whose donors receive a tax deduction for donations, BAAKP elected to work with ISI, a “fiscal sponsor.”



A “fiscal sponsor” is an established IRS 501(c)(3) tax-exempt organization that agrees to accept donations on behalf of groups it sponsors. They also furnish banking, legal and management consulting services, as well as filing required Federal and State reports and tax returns, all for a nominal fee.

Our fiscal sponsor is Inquiring Systems Incorporated, established in 1978. They have sponsored over 2500 start-up non-profit organizations, (see <http://www.inquiringsystems.org/>). Thank you, ISI, for allowing BAAKP volunteers the time and freedom to do what they do best: **Educate and Support Bay Area Kidney Patients.**

Left to right: Linda Umbach, Executive Director of BAAKP; Phil Wyche, President of BAAKP; Pam Campbell, MPA, Chief Operating Officer of ISI; S. Loren Cole, Ph.D., Chief Executive Officer of ISI; Walt Umbach, Treasurer of BAAKP.

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***Educating & Supporting
Kidney Patients!***

Please visit our website at
www.baakp.org
to make a donation, see back issues of our newsletters, and view videos of our past meetings. Your help is greatly appreciated!



SAVE THESE DATES !

Peninsula Events

Palo Alto Medical Foundation-3rd Floor
795 El Camino Real, Palo Alto, CA
94301

Educational Presentation (1-4 pm)

- Jan 29, 2017
- May 21, 2017

Support Group Meetings (1-3 pm)

- Jan 8, 2017
- Mar 12, 2017
- May 7, 2017

East Bay Events

Alta Bates Summit Hospital
Merritt Pavilion 350 Hawthorne Ave,
Oakland, CA 94609
(BART-MacArthur station)

Educational Presentation (1-4 pm)

- Sep 2017 TBD

Support Group Meetings (1-3 pm)

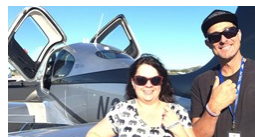
- Feb 12, 2017
- Apr 2, 2017
- Jun 11, 2017

Board of Directors' Meetings

1st Tuesday of the month—6:00 pm
info@baakp.org (650) 323-2225

Coming to Palo Alto on January 29, 2017
**The University of California, San Francisco
Kidney Transplant Program**

Representatives from the **UCSF Kidney and Kidney/Pancreas transplant department** will join us on January 29, 2017, to discuss “Evaluation to Transplantation and Beyond”. Our special guest speaker will be Dr. Shiang-Cheng Kung, UCSF transplant nephrologist. You can be sure that the topic of the “list” will be discussed.



Also with us that day will be **Angel Flight West**, a non-profit organization which arranges to fly patients to their non-emergency medical appointments. Learn how your treatment horizons can be expanded.

Please join us on Sunday, January 29, 2017, from 1-4 pm for this **FREE** event. It will be held at the Palo Alto Medical Foundation, 3rd floor Hearst Conference Center, 795 El Camino Real, Palo Alto, CA 94301. **Refreshments and door prizes too!**

Reserve your seat online at <http://tinyurl.com/baakp-Jan2017>

or at www.baakp.org and click on the Events tab
or call 650-323-2225

scan the QR code



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